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Committee on Financial Services

Michael G. Oxley, Chairman

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Bereuter Trade Subcommittee to Examine Ex-Im Bank Operations

The House Financial Services International Monetary Policy and Trade Subcommittee, chaired by Rep. Doug Bereuter (NE), will hold a hearing to examine operations of the Export-Import Bank at 2 p.m. Wednesday, May 2 in room 2128 Rayburn House Office Building.

The hearing will focus on the Bank's efforts to encourage small business exports and to increase export activity in sub-Saharan Africa. The Bank, an independent federal agency which operates on a renewable charter, is up for congressional reauthorization September 30, 2001.

"As the Subcommittee with jurisdiction over the Bank, this hearing is the first step in this important reauthorization process," said Bereuter. "I do have significant concerns about the Administration's proposed cut to the Export-Import Bank. I look forward to the testimony today to explain the effect that these proposed cuts could have on the activities of the Bank."

Through credit guarantees, insurance and loans the Bank fills gaps in commercially available financing for U.S. exports. It also promotes free and fair trade by securing international trade agreements.

Because the Bank is prohibited by law from competing with private lenders, the ventures it finances would otherwise go unfunded.

In its last reauthorization, Congress directed the Bank to reserve 10 percent of its funds for small business exports and increase exports to sub-Saharan Africa. Last year 18 percent of the Bank's funds went to small business ventures representing 80 percent of the Bank's transactions.

Increased Ex-Im Bank support for sub-Saharan African trade has, for example, delivered ultrasound equipment to a hospital in Cote D'Ivoire, road construction equipment to Ghana and paved the way for improved Internet access in Nigeria.

"My support for the Ex-Im Bank stems from the fact that it has been an important tool for increasing trade and providing U.S. exporters access to markets that they would otherwise not be able to reach," said Committee Chairman Michael G. Oxley.

Scheduled to testify are:

- James Hess, Chief Financial Officer, Export-Import Bank
- William Redway, Group Vice President of Small and New Business, Export-Import Bank
- Bert Ubamadu, Office of the General Counsel, Export-Import Bank

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